

Introduction to Medicare Australia and the Medicare Benefits Schedule (MBS)

The Australian health care system

In Australia, health care is the responsibility of all levels of government. The Australian Government has lead responsibility for general practice and primary health care, including the Primary Health Networks (PHN), and supports private health services through the Medicare Benefits Schedule (MBS), the Pharmaceutical Benefits Scheme (PBS), the Private Health Insurance Rebate.

Federal and state/territory governments share responsibility for funding public hospitals, preventative services such as cancer screening, and responding to national health emergencies.

The state and territory governments are responsible for managing public hospitals, public dental clinics, ambulance and emergency services, regulating and licensing of health premises, along with other areas such as food safety.

Local governments are responsible for a range of environmental and public health services, community-based health and home care services.

Regulation of health professionals is coordinated through the Australian Health Practitioner Regulation Agency (AHPRA) who implements the National Registration and Accreditation Scheme across Australia.

Medicare Australia

Medicare is Australia's universal health insurance scheme. It guarantees all Australians (and some overseas visitors) access to a wide range of health and hospital services at subsidised or no cost.

Medicare Australia works in partnership with the Australian Government Department of Health (DoH) to deliver the Australian Government's health policy objectives, for example:

- Expanding and reforming the mental health care system.
- Investing in new immunisations and medicines.
- Providing financial incentives to general practitioners who bulk-bill Commonwealth Concession Card holders and children under 16 years of age.

Medicare also provides access to patients for:

- Free or subsidised treatment by health professionals such as doctors, specialists, optometrists, dentists and some allied health professionals
- Free treatment and accommodation as a public patient in a public hospital.
- Subsidised services and procedures as private hospital inpatient or a private patient in a public

hospital. This does not include hospital accommodation and items such as theatre fees and medicines.

Medicare supports health professionals by:

- Assessing and paying Medicare benefits to eligible members of the public for medical services.
- Registering the details of eligible health professionals to have Medicare benefits paid for their services.
- Detecting and preventing fraudulent use of the Medicare program.

Medicare Benefits Schedule

The Medicare Benefits Schedule (MBS) is a listing of the Medicare services subsidised by the Australian government. The Schedule is part of the wider Medicare Benefits Scheme managed by the Department of Health and administered by [Services Australia](#).

MBS Online contains the full list of services under the Medicare Benefits Schedule. Each MBS item has a description and explanatory statement that explains how the item should be used. Access [MBS Online](#) for information on specific items.

MBS Provider Numbers

Any medical practitioner or other health professional billing through the Medicare program is required to have a Medicare provider number. A Medicare provider number identifies the practitioner and their eligibility to provide certain services. They are:

- Location specific.
- Used to refer to or request additional clinical services, e.g. specialists, X-ray, pathology, etc.
- Used to access the MBS (for billing).
- Issued with effective dates.

Provider eligibility for Medicare

To be eligible to attract Medicare benefits, a GP must meet one of the following criteria:

- Be a recognised specialist, consultant physician or general practitioner; or
- Be in an approved placement under section 3GA of the Health Insurance Act 1973 (such as the Rural Locum Relief Program or WAGPET); or
- Be a temporary resident doctor with an exemption under section 19AB of the Health Insurance Act 1973 and working in accordance with that exemption (i.e. working in a District of Workforce Shortage).

Patient eligibility

Under the Health Insurance Act 1973, a patient is deemed eligible to access Medicare if they:

- Are an Australian permanent resident or an eligible overseas representative.
 - Have been declared eligible by a Ministerial Order.
- Are visiting from a country with which Australia has a Reciprocal Health Care Agreement (RHCA), such as New Zealand, United Kingdom, Republic of Ireland, the Netherlands, Finland, Italy, Belgium, Malta, Slovenia and Norway.

Medicare rebates and billing styles

There are various ways a general practitioner may charge for a Medicare eligible consultation. For example:

- a) 'Bulk-bill' a patient, charging only the Medicare Rebate fee directly to Medicare leaving the patient with \$0 to pay. This method is common for concession card holders and children under 16.
- b) Charge the patient a 'private fee'. The patient pays the fee on the day of service, and then claims the 'rebate' from Medicare. The patient will therefore be out of pocket for the 'gap', being the difference between the private fee and the rebate to which the practitioner is entitled under Medicare.

Medicare pays for:

- An examination of a patient, to check on and provide advice on their general health.
- A clinically relevant service which is generally accepted by the profession as being necessary for the appropriate treatment of the patient.

Services not attracting Medicare benefits

When a service is not clinically relevant, the fee and payment arrangements are a private matter between the practitioner and the patient. This includes services such as pre-employment medicals, diving medicals and aviation medicals. However, the patient must be advised in advance that there will be no Medicare rebate available for that service. Also, Medicare benefits will not be paid where the service is:

- Provided by a non-Medicare eligible health professional.
- Provided to a non-Medicare eligible patient.
- Non-MBS items, such as bandages or dressings.

See also:

- MBS Online: [Services which do not attract Medicare benefits.](#)
- Practice Assist Fact Sheet: [Services not attracting Medicare Benefits](#)

Bulk billing restrictions

When a medical practitioner bulk bills for a service, the practitioner is accepting the relevant Medicare benefit (the rebate) as full payment for the service. Therefore, additional charges cannot be raised at the same time as **bulk billing** for a service.

Pharmaceutical Benefits Scheme prescriber number

Medical practitioners eligible to prescribe medications under the PBS are issued with a prescriber number, usually the first time they are issued with a Medicare provider number.

Unlike a Medicare provider number which is location specific and has set dates, a medical practitioner is only issued with one prescriber number. An application for a prescriber number can be made during the initial application for a Medicare provider number (if applicable) or as a separate application.

Ask MBS

The Department of Health (Health) provides an email advice service for providers seeking advice on interpretation of MBS items and rules (including those for Dental, Pathology and Diagnostic Imaging) and the Health Insurance Act and associated regulations.

If you have a query relating exclusively to interpretation of the Schedule, you can email askMBS@health.gov.au

More information

Medicare Australia offers:

- [eLearning packages](#) for new health professionals.
- An overview of the [MBS primary care items](#).
- Medicare requirement for [billing the treatment and removal of skin lesions](#).
- Advanced, case-based eLearning for general practitioners when providing [GP Management Plans and Team Care Arrangements](#).
- Quick reference guides on specific areas.
- Department of Human Services - [Medicare for Health Professionals](#)

References

[Services Australia](#)
[Department of Health, Medicare Benefits Schedule](#)
[Department of Health](#)